



DEPARTMENT OF THE ARMY
UNITED STATES ARMY MEDICAL COMMAND
HEALTH CARE ACQUISITION ACTIVITY
2107 17TH STREET, SUITE 69
FORT SAM HOUSTON, TEXAS 78234-5069

REPLY TO
ATTENTION OF

March 12, 2007

Dear Sir/Madam:

Over the past few years, the Department of Defense (DoD) has pursued a number of e-Business initiatives that have accelerated the speed of information sharing between industry partners and DoD. DoD has embarked on another e-Business initiative – on line Contractor Performance Assessment Reports.

The Federal Acquisition Regulation (FAR) 42.1502 directs all Federal Agencies to prepare evaluations of contractor performance. Previously, contractor performance assessments were captured in the Past Performance Information Management System (PPIMS). The DoD has identified another past performance assessment system as its enterprise standard. Therefore, all US Army Contracting Agencies will begin using this system, called Contractor Performance Assessment Reporting System (CPARS), on April 1, 2007.

This system, with its automated workflow capability, greatly facilitates the evaluation and collection process. The CPARS brochure can be accessed using the following URL: <http://www.cpars.navy.mil/cparsfiles/pdfs/cparsbro.pdf>. The system allows DoD to provide evaluations to the contractor community electronically, and enables you to provide your comments electronically in a safe and secure mode through the worldwide web. The US Army Medical Command Health Care Acquisition Activity (HCAA) will utilize CPARS starting April 1, 2007, to meet the FAR requirement. HCAA believes this tool will streamline the report collection process as well as foster better communication between your company and HCAA, ultimately resulting in providing the best support to our mission.

The Navy is the executive agent for CPARS. Part of the executive agent responsibilities is to provide the CEO or senior executive of a company with a password. To obtain a password, one must request access to CPARS by completing the form at <http://cpars.navy.mil/accessforms/userforms.htm> and submit it by fax to NSLCPTSMH at (603) 431-9464. Once the Navy has given you a password for senior level access, you can view your Army, Navy, Air Force or Other Defense Agency CPARs. Please be aware that effective November 1, 2006, all contractors accessing CPARS will be required to have a DoD Public Key Infrastructure (PKI) Certificate.

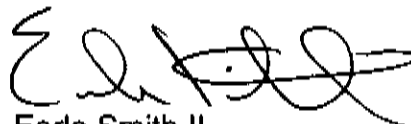
CPARS allows both the government and contractor to submit their portions of the Contractor Performance Assessment Report via the Internet-<http://www.cpars.navy.mil>. The system requires no special software or hardware and protects this sensitive information with a secure, password protected, 128-bit encryption. CPARS sends an automated email notification to your company representative when the assessing official completes a proposed rating for a contract. Your representative will be given the opportunity to respond to the assessment, and/or request a meeting to discuss the evaluation before the government finalizes the report.

After the CPAR is finalized, it is fed into DoD's Past Performance Information Retrieval System (PPIRS), which is a retrieval system for source selection teams to access the assessment(s) of contractors' performance. As the CEO or senior manager of your company, you can view all completed CPARS for Contractor and Government Entity (CAGE) codes assigned to your corporation.

You can familiarize yourself with the CPARS process by going to the training module and practice session at http://cpars.navy.mil/allapps/cpartng/webtrain/webtrain_all.htm to access the on line CPARS training. It also contains the DoD CPARS Policy Guide that explains the criteria and procedures for collecting past performance information. You may directly contact the CPARS Focal Points to provide training and answer questions for your company representatives.

If you require additional assistance, please contact our HCAA Focal Point Ms. Ida Ramirez, Policy and Compliance Branch, (210) 221-5803, email ida.ramirez@us.army.mil, or Ms. Diana Harmonson-Walls, Policy and Compliance Branch, (210) 221-3849, email diana.harmonson-walls@us.army.mil.

Sincerely,

A handwritten signature in black ink, appearing to read 'Earle Smith II', with a stylized flourish at the end.

Earle Smith II
Colonel, US Army
Commanding